

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: February 19, 2003 Division: Management Services

Bulk Item: Yes x No Department: Technical Services

AGENDA ITEM WORDING: Approval of Special Service Arrangement Agreement with Insight Global Finance , Inc. to replace existing visual control system at Marathon EOC. The Board of County Commissioners may dispense with the bidding provisions of the ordinance and contract directly for services, goods or Public Works in the case of an emergency. An interruption in the delivery of an essential governmental service. Request of approval of this item includes a request for County Commission to waive county policies that county contracts shall have a limitation on liability in statutory amount (\$200,000.00).

ITEM BACKGROUND: This agreement will eliminate the costly repairs and annual support costs associated with the 11 year old facility.

PREVIOUS RELEVANT BOCC ACTION: N/A

CONTRACT/AGREEMENT CHANGES: N/A

STAFF RECOMMENDATIONS: Approval

TOTAL COST: \$47,670.03--/5 years **BUDGETED:** X Yes No

COST TO COUNTY: \$47,670.03

REVENUE PRODUCING: Yes No X **AMOUNT PER MONTH** **Year**

APPROVED BY: County Atty X OMB/Purchasing X Risk Management X

DEPARTMENT DIRECTOR APPROVAL: Todd Erickson / RD
Todd Erickson

DIVISION DIRECTOR APPROVAL: Sheila G. Barker
Sheila Barker

DOCUMENTATION: Included x To Follow Not Required

DISPOSITION:

AGENDA ITEM # D40

MONROE COUNTY BOARD OF COUNTY COMMISSIONERS

CONTRACT SUMMARY

Contract with: Insight Global

Contract # _____

Effective Date: February 19, 2003

Expiration Date: February 19, 2008

Contract Purpose/Description:

To repair existing audio visual control system and Marathon EOC.

Contract Manager: Lisa Druckemiller
(Name)

5100

(Ext.)

Technical Services/5B

(Department/Stop #)

for BOCC meeting on 02/19/03

Agenda Deadline: 02/05/03

CONTRACT COSTS

Total Dollar Value of Contract: \$ 47,670.03 Current Year Portion: \$ 8,752.23

Budgeted? Yes ☒ No ☐

Account Codes: 001-06002-530-440-

Grant: \$

County Match: \$

ADDITIONAL COSTS

Estimated Ongoing Costs: \$11,669.64/yr

For:

(Not included in dollar value above)

(eg. maintenance, utilities, janitorial, salaries, etc.)

CONTRACT REVIEW

	Date In	Changes Needed	Reviewer	Date Out
Division Director		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Sheila A. Barker	2/6/03
Risk Management	2/5/03	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Bill Graham	2/5/03
O.M.B./Purchasing		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Sheila A. Barker	2/6/03
County Attorney	2/5/03	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	S. H. H.	2/5/03

Comments:

**ADDENDUM
TO MUNICIPAL MASTER LEASE AGREEMENT**

This Addendum To Municipal Master Lease Agreement forms and is made a part of that certain Municipal Master Lease Agreement between Insight Global Finance, Inc. and County of Monroe dated _____, _____. Capitalized terms used herein but not defined herein will have the same meaning given to them in the Municipal Master Lease Agreement.

With regards to Section(s):

7. This section is deleted in its entirety.

A new section 17. is added as follows:

"17. ETHICS CLAUSE: Contractor warrants that he/it has not employed, retained or otherwise had act on his/its behalf any former County officer or employee in violation of Section 2 of Ordinance No. 10-1990 or any County officer or employee in violation of Section 3 of Ordinance No. 10-1990. For breach or violation of this provision the County may, in its discretion, terminate this contract without liability and may also, in its discretion, deduct from the contract or purchase price, or otherwise recover, the full amount of any fee, commission, percentage, gift, or consideration paid to the former County officer or employee."

A new section 18. is added as follows:

"18. PUBLIC ENTITY CRIME STATEMENT: A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list."

All other terms and conditions of the Municipal Master Lease Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to Municipal Master Lease Agreement on _____, 2003.

Insight Global Finance, Inc.

County of Monroe

By: _____

By: _____

Title: _____

Title: _____

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BY 
SUZANNE A. HUTTON

2/5/03

February 3, 2003

Insight Global Finance, Inc.
444 Scott Drive
Bloomington, IL 60108

Attention: Ron Taucher

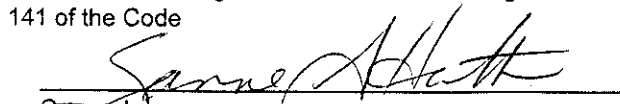
Re: Attached Lease No. _____ (the "Lease")

Ladies and Gentlemen:

I am legal counsel for Monroe County (Lessee), and I am familiar with the above-referenced Lease by and between the Lessee and Insight Global Finance, Inc. ("company").

Based upon my examination of the Lease, the information statement(s) required for purposes of Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code") and such other documents, records and papers as I deem to be relevant and necessary as the basis for my opinion set forth below, it is my opinion that:

1. The Lessee is a State or a political subdivision thereof, as those terms are used in Section 103 of the Code, and is authorized by the applicable Constitution and laws to enter into the transaction(s) contemplated by the Lease and to carry out its obligations thereunder.
2. Lessee's obligation(s) under the Lease is a State or local bond within the meaning of Section 103 of the Code.
3. The Lease and other related documents have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements enforceable against Lessee in accordance with its terms.
4. No further approval, consent or withholding of objections is required from any Federal, state or local governmental authority with respect to the entering into or the performance by the Lessee of the Lease and the transaction(s) contemplated hereby.
5. The entering into and performance of the Lease and other related documents will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, any instrument or agreement binding upon Lessee or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or the Equipment (as defined in the Lease), other than those created by the Lease.
6. There are no actions, suits or proceedings pending or threatened against or affecting the Lessee in any court or before any governmental commission, board or authority that, if adversely determined, would have a material adverse effect on the ability of the Lessee to perform its obligation(s) under the Agreement.
7. The Equipment is tangible personal property and, when subject to use by the Lessee, will not be or become a fixture or real property under the laws of the state where the equipment is being used by the Lessee.
8. All required public bidding procedures regarding an award to your company of the transaction(s) contemplated under the Lease have been properly and completely followed by the Lessee.
9. The Lessee shall be the only entity to own, operate and use the Equipment during the Term (as defined in the Lease).
10. The Lease does not constitute, and is not expected to become, an arbitrage bond within the meaning of Section 148 of the Code or a private activity bond within the meaning of Section 141 of the Code


Counsel

By: Suzanne A. Hutton

Title: Assistant County Attorney

Date: 2/05/03

Insight Global Finance, Inc.

DEAR CUSTOMER: This Master Lease Agreement ("Master Lease") contains the terms of your agreement with us. The words **You, Your** and **Lessee** mean you, our customer. The words **We, Us, Our** and the **Lessor**, mean us, Insight Global Finance, Inc.

- 1. EQUIPMENT LEASED:** We agree to lease to you and you agree to lease from us the equipment ("Equipment") identified in the equipment schedule(s) ("Schedule") executed in accordance with this Master Lease. Each Schedule shall incorporate the terms and conditions of this Master Lease, and shall include such other terms as we shall agree upon. Each Schedule is a separate lease, independent of all other Schedules. In the event of a conflict between this Master Lease and the terms of a Schedule, the terms of the Schedule shall control. The word "Lease" when used in this Master Lease shall mean this Master Lease and respective Schedule(s).
- 2. TERM, RENT, & PURCHASE ORDER:** This Master Lease shall begin on the date set forth above and shall continue in effect so long as any Schedule remains in effect. You promise to make all payments due under the Lease according to the terms set forth in the Schedule. You agree that this Lease is a net lease which may not be terminated or canceled; that, except as provided in Section 15, you have an unconditional obligation to make all payments due under the Lease, and that you may not withhold, set off or reduce such payments for any reason. You authorize us to purchase the Equipment from supplier ("Supplier"). You will arrange for the delivery of the Equipment. When you receive the Equipment, you agree to inspect it to determine if it is in good working order.
- 3. ASSIGNMENT: YOU MAY NOT SELL, PLEDGE, TRANSFER, ASSIGN OR SUBLEASE THE EQUIPMENT OR THIS LEASE.** We may sell, assign or transfer all or any part of this Lease and/or the Equipment. During the term of this Master Lease, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Internal Revenue Code 1986, as amended (the "Code"). For this purpose, Lessee appoints Lessor to act as its registration agent, which appointment Lessor hereby accepts. Lessor agrees on Lessee's behalf to maintain records of all assignments. Lessee agrees, if so requested, to acknowledge each such assignment in writing within 15 days after request therefor, but such acknowledgement shall in no way be deemed necessary to make any assignment effective. The new Lessor will have the same rights that we have, but will not have to perform any of our obligations. You agree that you will not assert against the new Lessor any claims, defenses or set-offs that you may have against us.
- 4. WARRANTY:** The Equipment covered by this Lease is covered by the limited warranties in effect at the time the Equipment is delivered, on standard terms and conditions supplied with each shipment of Equipment and which are incorporated herein by this reference.
- 5. TAXES, MAINTENANCE, & INSPECTION:** The parties to Lease contemplate that the Equipment will be used for your governmental or proprietary purpose and, therefore, that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. Nevertheless, if the use, possession or acquisition of the Equipment is determined to be subject to taxation, you shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to the Equipment. You agree to use, operate and maintain the Equipment in accordance with all laws, regulations and ordinances and in accordance with the provision of any policies of insurance covering the Equipment. You agree to keep the Equipment in good repair, working order and condition (ordinary wear and tear excepted) and house the same in suitable shelter, and to permit us or our assigns to inspect the Equipment at any time and to otherwise protect its interests therein. You shall use the Equipment in a careful and proper manner and only for the purpose contemplated by the manufacturer.
- 6. LOSS OR DAMAGE; INSURANCE:** You are responsible for any loss, theft or destruction of, or damage to, the Equipment (collectively "Loss") from any cause, whether or not insured, until the Equipment is delivered to us at the end of this Lease. You are required to make all lease payments even if there is a Loss. You must notify us in writing immediately of any Loss. You agree to keep the Equipment insured for its full replacement value against any type of Loss, and name us as loss payee until the Lease is paid in full. If Lessee is self-insured with respect to the Equipment, Lessee shall maintain during the term of this Master Lease an actuarially sound self-insurance program in form satisfactory to Lessor and shall provide evidence thereof in form and substance satisfactory to Lessor.
- 7. LATE CHARGES:** If any payment is not made when due, you agree to pay a late charge at the rate of ten percent (10%) of such late payment and each month thereafter, and a finance charge of 1.33% on any unpaid delinquent balance, but in no event greater than the maximum interest rate allowable under applicable law.
- 8. SECURITY INTEREST:** You grant us a security interest constituting a first lien on the Equipment (including any replacements, substitutions, additions, attachments and proceeds). You will deliver to us signed financing statements or other documents we request in order to perfect our security interest in the Equipment. You appoint us or our agent as attorney in fact to execute, deliver and record financing statements on your behalf.
- 9. DEFAULT:** Each of the following is a "Default" under this Master Lease: (a) you fail to pay any lease payment or any other payment when due, (b) you do not perform any of your other obligations under this Lease or in any other agreement with us and this failure continues for 10 days after we have notified you of it, (c) you become insolvent, you dissolve or are dissolved, you fail to pay your debts as they mature, you assign your assets for the benefit of your creditors, or you enter (voluntarily or involuntarily) any bankruptcy or reorganization proceeding, (d) any certificate, statement, representation, warranty or audit contained herein or heretofore or hereafter furnished with respect hereto by or on behalf of Lessee proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified or (e) by Lessee having omitted any substantial contingent or unliquidated liability or claim against Lessee.
- 10. REMEDIES:** If a Default occurs, we may do one or more of the following: (a) we may cancel or terminate this Lease or any or all other agreements that we have entered into with you; (b) we may require you to immediately pay us all lease payments due or to become due with respect to any or all Leases during the fiscal year in which the Default occurs, whereupon such lease payments shall be immediately due and payable; (c) we may require you to deliver the Equipment to us as set forth in Section 16; (d) we or our agent may peacefully repossess the Equipment without court order and you will not make any claims against us for damages or trespass or any other reason; and (e) we may exercise any other right or remedy available at law or in equity. **You agree to pay all of our costs of enforcing our rights against you, including reasonable attorneys' fees and costs.** If we take possession of the Equipment, we may sell or otherwise dispose of it with or without notice, at a public or private sale, and apply the net proceeds (after we have deducted all costs related to the sale or disposition of the Equipment) to the amounts that you owe us. You agree that if notice of sale is required by law to be given, 10 days notice shall constitute reasonable notice. You will remain responsible for any amounts that are due after we have applied such net proceeds. All our remedies are cumulative and are in addition to any other remedies provided for by law and may be exercised either concurrently or separately. Any failure or delay by us to exercise any right shall not operate as a waiver of that right, any other rights or future rights or the right to modify the terms of this Lease.
- 11. CURRENT EXPENSE:** The obligations of Lessee, including its obligation to pay the lease payments due in any fiscal year during the term of a Lease, shall constitute a current expense of Lessee for such fiscal year and shall not constitute an indebtedness of Lessee within the meaning of the constitution and laws of the

state in which Lessee is located. Nothing herein shall constitute a pledge by Lessee of any taxes or other moneys (other than moneys lawfully appropriated from time to time by or for the benefits of Lessee for this Master Lease) to the payment of any lease payments due under a Lease.

12. INDEMNIFICATION: You are responsible for and agree to indemnify and hold us harmless from any and all (a) losses, damages, penalties, claims, suits and actions (collectively "Claims"), caused by or related to the installation, ownership, use, lease, or possession of the Equipment and (b) all costs and attorneys' fees incurred by us relating to any Claim. You agree to reimburse us for and if we request, to defend us at your own cost and expense, against any Claims. You agree that your obligations under this Section 12 shall survive the termination of this Lease.

13. MISCELLANEOUS: (a) **Choice of Law.** This Lease shall be governed by the laws of the State of the Lessee (without regard to the conflict of law principles of such state). (b) **Entire Agreement.** The Lease constitutes the entire agreement between you and us and supersedes all prior agreements, negotiations and purchase orders. (c) **Enforceability.** If any provision of this Lease is unenforceable, illegal or invalid, the remaining provisions shall continue to be effective. (d) **Amendment.** This Lease may not be modified or amended except in writing signed by you and us. **You agree however, that we are authorized, without notice to you, to supply missing information or correct obvious errors in the Lease.** (e) **Usury.** It is the express intent of both of us not to violate any applicable usury laws or to exceed the maximum amount of interest permitted to be charged or collected by applicable law, and any excess payment as determined by court order, will be applied to the lease payments in inverse order of maturity, and any remaining excess will be refunded to you. (f) **Notice.** All notices shall be in writing and shall be delivered to the appropriate party personally, by private courier, by facsimile transmission or by mail, postage prepaid, at its address shown herein or to such other address as directed in writing by such party.

14. TITLE; LOCATION: We are the owner of the Equipment. Legal title of the Equipment shall be with us. You agree to keep the Equipment free from liens and encumbrances. You agree that this is a true lease, however, if this transaction is deemed to be a lease intended for security, you grant us a security interest in the Equipment (including any replacements, substitutions, additions, attachments and proceeds). You agree to deliver to us signed financing statements or other documents that we request to protect our interests in the Equipment. You will keep and use the Equipment only at the address set forth above. You may not move the Equipment without our prior written consent.

15. NON-APPROPRIATION: Lessor and Lessee agree that in the event that prior to the commencement of any of your fiscal years you do not have sufficient funds appropriated to make the payments due under a Lease for said fiscal year, you shall have the option of terminating such Lease as of the date of commencement of such fiscal year by giving us sixty (60) days prior written notice of your intent to cancel such Lease. You covenant and represent to us that (a) you will, to the extent permitted by law include in your budget for each successive fiscal year during the term of each Lease a sufficient amount to permit you to discharge all of your obligations under such Lease, (b) you have budgeted and have available for the current fiscal year sufficient funds to comply with your obligations under each Lease and (c) there are no circumstances presently affecting you that could reasonably be expected to adversely affect your ability to budget funds for the payment of sums due under each Lease. No later than the last day of the fiscal year for which appropriations were made for the payments due under the Lease, you shall return to us all, but not less than all, of the Equipment covered by the affected Lease, at your sole expense.

16. PURCHASE OPTION: You are hereby granted the option to purchase the Equipment subject to this Lease in whole but not in part "as is" and "where is", prior to the scheduled payment of the lease payments due under such Lease, on any lease payment date at a price equal to the purchase option price shown for lease payment date on which such purchase is to be effective under the column entitled "Purchase Option Price" in the applicable Schedule, plus all other payments then due or past due hereunder. To exercise this purchase option, you shall give us irrevocable written notice of your intention to exercise such option and designating the lease payment date on which such purchase is to be effective, which notice shall be delivered to us at least thirty (30) days in advance of the proposed purchase date. We shall then promptly inform you of the Purchase Option Price to be paid on the lease payment date selected by you which Purchase Option Price may include other payments due hereunder, and may be modified to reflect payments arising after the date we so inform you. The purchase option herein granted may be exercised by you whether or not one or more Defaults have occurred and are then continuing at the time of such exercise; provided, however, that the purchase of the Equipment upon the exercise of such option during the continuance of a Default shall not limit, reduce or otherwise affect liabilities or obligations that you may have incurred as a result of such Default. On receipt of the applicable Purchase Option Price in good funds, the applicable Lease shall terminate and we shall deliver to the you such deeds, termination statements, bills of sale and other documents and instruments as you shall reasonably require to evidence the transfer of all right, title and interest of us in such Equipment to you "as is" and "where is", without warranty, express or implied, except that we shall warrant that such Equipment is free and clear of all liens created by us.

ACCEPTANCE

Customer Legal Name (Lessee)

Address _____

City _____ State _____ Zip _____

By: X _____ Date _____

Print Name: _____ Title: _____

Insight Global Finance, Inc. (Lessor)

By: X _____ Date _____

Print Name: _____ Title: _____

FAX EXECUTION: A fax version of this Lease when received by us shall be binding on you for all purposes as if originally signed. However, the Lease shall only become effective and binding against us when originally signed by us in our corporate office. You agree that the only version of the Lease that is the original for all purposes is the version containing your fax signature and our original signature. If you elect to sign and transmit a Lease by fax, you waive notice of our acceptance of this Lease and receipt of a copy of the originally signed Lease.

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BY 
SUZANNE A. HUTTON

2/5/03

EQUIPMENT SCHEDULE #
TO MUNICIPAL MASTER LEASE AGREEMENT #

Insight Global Finance, Inc.

Number of
Monthly Payments

Monthly Payment *

\$

Purchase
Option

\$

*Plus applicable taxes to be billed

Equipment Description ("Equipment")

Quantity	Description	Model	Serial #

Equipment Location if
different from billing address _____ City _____ State _____ Zip _____

DEARCLIENT: This Schedule incorporates the terms and conditions of the Master Lease referred to above. This Schedule is a separate lease, independent of all other schedules. All capitalized words used in this Schedule shall have the same meanings as used in the Master Lease. The Master Lease and this Schedule contain the terms of your agreement with us. Please read them carefully and feel free to ask us any questions.

1. EQUIPMENT, TERM, RENT, & FEES: We agree to finance the Equipment described above for the number of months and monthly lease payment ("Monthly Payment") shown above. Each such Monthly Payment shall be comprised of principal and interest components. This Schedule will commence on the date that any of the Equipment is delivered to you ("Commencement Date"). Your first Monthly Payment is due 30 days from the Commencement Date, and your remaining Monthly Payments shall be due on the same day of each subsequent month until you have paid all the Monthly Payments due under this Schedule. You authorize us to adjust your Monthly Payment and the equipment description for this Schedule upon confirmation from Supplier that you have ordered additional equipment within the first 30 days after the Commencement Date, provided that the cost of such additional equipment does not exceed 20% of the cost of the original Equipment. You agree to pay us a documentation fee of \$49.00 each time you execute a schedule or several schedules simultaneously.

2. FAX EXECUTION: A fax version of this Schedule when received by us shall be binding on you for all purposes as if originally signed. However, the Schedule shall only become effective and binding against us when originally signed by us in our corporate office. You agree that the only version of the Schedule that is the original for all purposes is the version containing your fax and our original signature. If you elect to sign and transmit a Schedule by fax, you waive notice of our acceptance of this Schedule and receipt of a copy of the originally signed Schedule.

3. LESSEE REPRESENTATIONS: By signing this Schedule you confirm that (a) the Equipment will be used for the purpose of performing one or more governmental or proprietary functions of Lessee, (b) you have authorized us to obtain information concerning your credit standing from any credit bureau, reference, or any other person, and (c) you are not in default under the Master Lease as of the date of this Schedule.

Customer Legal Name (Lessee)

Address _____

City _____ State _____ Zip _____

By: X _____ Date _____

Print Name: _____

Insight Global Finance, Inc. (Lessor)

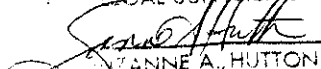
By: X _____

Title: _____

Print Name: _____

Date: _____

APPROVED AS TO FORM
LEGAL SUFFICIENCY.


SUZANNE A. HUTTON

DELIVERY AND ACCEPTANCE RECEIPT

LEASE NO.:

Lessee:

Lessee certifies that the equipment covered by this Lease has been delivered, inspected, installed, is in good working condition, and is, therefore, accepted for purposes of the Lease.

We request that the Lessor pay the vendor for the equipment and we understand that rental payments will commence.

X

(Authorized Lessee Signature)

(Title and Date)